

(12) INTERNATIONAL APPLICATION PUBLISHED UNDER THE PATENT COOPERATION TREATY (PCT)

(19) World Intellectual Property Organization
International Bureau



(43) International Publication Date
14 December 2000 (14.12.2000)

PCT

(10) International Publication Number
WO 00/75833 A2

- (51) International Patent Classification⁷: G06F 17/60 (81) Designated States (*national*): AL, AM, AT, AU, AZ, BA, BB, BG, BR, BY, CA, CH, CN, CU, CZ, DE, DK, EE, ES, FI, GB, GD, GE, GH, GM, HR, HU, ID, IL, IN, IS, JP, KE, KG, KP, KR, KZ, LC, LK, LR, LS, LT, LU, LV, MD, MG, MK, MN, MW, MX, NO, NZ, PL, PT, RO, RU, SD, SE, SG, SI, SK, SL, TJ, TM, TR, TT, UA, UG, UZ, VN, YU, ZA, ZW.
- (21) International Application Number: PCT/US00/15329 (84) Designated States (*regional*): ARIPO patent (GH, GM, KE, LS, MW, SD, SL, SZ, TZ, UG, ZW), Eurasian patent (AM, AZ, BY, KG, KZ, MD, RU, TJ, TM), European patent (AT, BE, CH, CY, DE, DK, ES, FI, FR, GB, GR, IE, IT, LU, MC, NL, PT, SE), OAPI patent (BF, BJ, CF, CG, CI, CM, GA, GN, GW, ML, MR, NE, SN, TD, TG).
- (22) International Filing Date: 31 May 2000 (31.05.2000)
- (25) Filing Language: English
- (26) Publication Language: English
- (30) Priority Data:
09/326,972 7 June 1999 (07.06.1999) US
- (71) Applicant: LOAN TRADER.COM [US/US]; 300 Commerce Way, Ste. 200, Irvine, CA 92602 (US).
- (72) Inventors: TRAN, Donald; 27780 Homestead Road, Laguna Niguel, CA 92677 (US). LE, John, Nhat; 10745 Taulbee Court, Tustin, CA 92782 (US). PALMER, Robert, Leroy; 59 Eagle Run, Irvine, CA 92614 (US).
- (74) Agents: GLENN, Michael, A. et al.; Glenn Patent Group, 3475 Edison Way, Suite L, Menlo Park, CA 94025 (US).

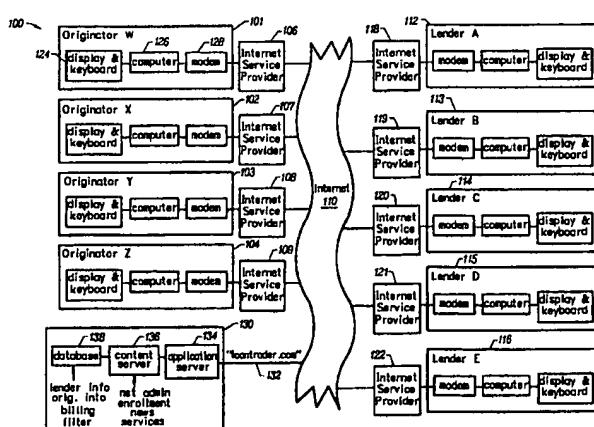
Published:

— Without international search report and to be republished upon receipt of that report.

For two-letter codes and other abbreviations, refer to the "Guidance Notes on Codes and Abbreviations" appearing at the beginning of each regular issue of the PCT Gazette.

BEST AVAILABLE COPY

- (54) Title: METHOD AND BUSINESS MODEL FOR MATCHING MORTGAGE LENDERS AND BORROWERS



- (57) Abstract: A queue-oriented loan matching system is implemented as a webserver on the Internet. Each mortgage loan customer completes only one application for a mortgage broker. The Internet is used by such mortgage broker to communicate the loan request to a plurality of mortgage lenders. Filters are used to forward such loan requests only to lenders that want to receive applications from borrowers with particular credit ratings or scores. Brokers send loan requests to lenders that meet their product needs. Each loan request exists in one of several queues. Depending on the action to be taken, either the broker or the lender will advance a loan request from one queue to the next. The status of each loan request is therefore a function of which queue it has been placed into. Each lender generates an individual response to each loan request that the broker can pick and choose. The system allows quality control and business management controls to be efficiently and consistently applied.

BEST AVAILABLE COPY

WO 00/75833

Method and Business Model for Matching Mortgage Lenders and Borrowers

5

BACKGROUND OF THE PRESENT INVENTION

TECHNICAL FIELD

- 10 The present invention relates to matching systems and more particularly to computer implemented methods for loan brokers to match mortgage lenders with borrowers.

DESCRIPTION OF THE PRIOR ART

15

Individual borrowers looking for mortgage loans rarely only apply to one lender. It is well-known that lenders vary on a number of scores, and not all borrowers are equally attractive. So borrowers try to find the best lender and loan they qualify for, and lenders try to find the least risky and highest interest paying borrowers possible. Therefore, for each successful loan application, each lender will have processed several borrower applications, and each borrower will have applied to several lenders.

Loan brokers thus evolved such that a customer could fill out a single loan application. The loan broker would then make a loan request to each lender the broker worked with.

- 25 But since the loan requests had to be duplicated for each lender, the number of lenders a broker could work with was limited. Each loan request typically necessitated its own unique series of phone calls, faxes, messages, return calls, lost faxes, updated rate sheets, etc.

- 30 Each mortgage lender receives many individual loan requests. As with the mortgage broker, each loan request typically necessitated its own unique series of phone calls, faxes, messages, return calls, lost faxes, updated rate sheets, etc. Relatively expensive account executives are needed by the lenders to handle the incoming loan requests prior to a decision or pre-underwriting by a highly paid underwriter. The staffing requirements of lenders is therefore directly related to loan request volume.

SUMMARY OF THE PRESENT INVENTION

A queue-oriented loan matching system is implemented as a webserver on the Internet. Each mortgage loan customer completes only one application for a mortgage broker.

- 5 The Internet is used by such mortgage broker to communicate the loan request to a plurality of mortgage lenders. Filters are used to forward such loan requests only to lenders that want to receive applications from borrowers with particular credit ratings or scores. Brokers send loan requests to lenders that meet their product needs. Each loan request exists in one of several queues. Depending on the action to be taken, either
10 the broker or the lender will advance a loan request from one queue to the next. The status of each loan request is therefore a function of which queue it has been placed into. Each lender generates an individual response to each loan request that the broker can pick and choose. The system allows quality control and business management controls to be efficiently and consistently applied.

15

BRIEF DESCRIPTION OF THE DRAWINGS

- Fig. 1 is a functional block diagram of an Internet system embodiment of the present
20 invention for mortgage broker and lenders to process loan requests from borrowers; and

Fig. 2 is a flow chart diagram of a loan-matching process embodiment of the present invention that may be implemented with the system of Fig. 1.

25

DETAILED DESCRIPTION OF THE PRESENT INVENTION

- Fig. 1 represents an Internet system embodiment of the present invention for servicing a mortgage broker and lender community, and is referred to herein by the general
30 reference numeral 100. The system 100 comprises a plurality of independent mortgage brokers 101-104 that are connected through a corresponding plurality of Internet service providers (ISP's) 106-109 to a wide area network (WAN) 110, such as is best represented by the ubiquitous Internet. Similarly, a plurality of independent mortgage lenders 112-116 are connected through a corresponding plurality of Internet
35 service providers (ISP's) 118-122 to the Internet 110. Each mortgage broker 101-104 and each mortgage lender 112-116 has a computer network workstation with an Internet browser represented by a display and keyboard 124, a computer 126, and a modem 128.

A commercial for-profit business 130 has established an Internet presence at a website identified by a uniform resource locator (URL), e.g., "loantrader.com". Such business 130 maintains a network connection 132 with a network server 134. A computer 136 is used for network administration, customer and user enrollments and authorization, news, services referrals, etc. A computer database 138 is used to store and access lender and broker information, various loan-request queues, electronic forms, credit-rating filter data, statistics, billing data, etc. Each independent mortgage broker (W-Z) 101-104, and each independent mortgage lender (A-E) 112-116 is provided with a unique user ID and password after being enrolled as a subscriber. The subscribers are billed according to use and/or on a monthly basis and pay the business 130 to continue to have access to "loantrader.com".

Subscribers are classified as being either brokers or lenders. A log-on page at "loantrader.com" requires each subscriber to enter their user-ID, password, and category of lender or broker. No specialized software is required at the broker or lender sites other than a standard browser, e.g., INTERNET EXPLORER by Microsoft, NETSCAPE NAVIGATOR by Netscape, etc.

After log-on, brokers are presented with a "home" page that includes financial industry news items and several navigation buttons. The broker can "click" on any of the buttons listed in Table I.

TABLE I Broker Home Page

label	provides
"Services"	a directory of people and companies offering relevant services to brokers
"New App"	opens up an electronic form in which the broker can enter specific credit-related information about a borrower who has come to make a loan request
"Pending"	shows the current queue of pending loan requests
"Submitted"	shows the current queue of loan requests to lenders
"Reports"	a choice of various productivity and loan request statistical reports to be generated for quality control and business management purposes
"BRQs"	shows the current queue of loan requests accepted by lenders and includes their specific proposed loan details and requirements for completion
"Accepted"	shows the current queue of loan requests that have been chosen by the broker as being acceptable offers to fund from the lenders
"Log Off"	allows the broker to quit "loantrader.com"

25

If the broker selects the "New App" button on the Broker Home Page, then an electronic fill-in form is presented that requests the information listed in Table II. Once the form is completely filled in, a "Send" button can be clicked to send the loan request to the appropriate lender(s) according to a credit-rating filter tailored for each lender. Such new

application will include credit report scores, e.g., BEACON, FICO, IMPERICA, etc. Fair Isaac, a company located in San Rafael, California, designed a computer program to evaluate the credit risk of consumers based on their credit report. Such risk is rated as a FICO score number. BEACON and IMPERICA are similar measures of credit risk

5 determined by other methods.

TABLE II New Application Fill-in Form

Broker's assigned file number:	
Borrower's last name:	
Last four digits of the borrower's Social Security:	
Location of subject property:	State: Zip:
Property type:	
Occupancy Status:	
Appraised value:	
Appraiser:	
Loan Type:	
Amortization Type:	
Loan Term:	Years
Loan purpose:	
Loan Amount:	
Proposed:	LTV % CLTV %
Requested interest rate:	
Do you want to lock the interest rate?	
If Yes, how many days?	
Documentation level:	
Interest rate buy-down: (points)	
Is this a "no-cost" loan?	
Pre-pay?	
If yes, how many years?	
Rebate?	
If yes, requested rebate:	
Is broker origination fee paid from rebate?	
Up-front broker origination points charged to borrow:	
Additional broker fees charged:	
Total broker fees charged (includes points, misc. fees, etc.):	
How many borrower(s) will be qualifying?	
Comments:	

If the broker selects the "Pending" button on the Broker Home Page, then the "Pending
10 Queue" is presented. An example of a typical pending queue is represented in Table III. Any item in the queue can be clicked on for more detail. The pending loan requests are those that have been entered or worked on as a new application, but not yet sent to the lenders.

TABLE III Pending Queue

File Number	Borrower	Created On	Updated On
9747654	Brown	5/18/99 3:50:05 PM	5/18/99 3:50:05 PM
6432645	Carothers	5/19/99 12:28:55 PM	5/19/99 12:28:55 PM

- If the broker selects the "Submitted" button on the Broker Home Page, then the "Submitted Queue" is presented, an example of a typical submitted queue is
- 5 represented in Table IV. Any item in the queue can be clicked on for more detail. The loan requests that are "submitted" are those that have been sent to the lenders.

TABLE IV Submitted Queue

File Number	Borrower	Created On	Updated On	Submitted On
	Howards			
	Hughes	5/7/99 9:05:48 AM	5/7/99 9:09:27 AM	5/7/99 9:09:27 AM
AMER0567	Hammond	5/10/99 9:22:16 AM	5/10/99 9:23:44 AM	5/10/99 9:23:45 AM
AMER0023	Russel	5/10/99 9:23:50 AM	5/10/99 9:25:36 AM	5/10/99 9:25:37 AM
AMER0345	Russel	5/10/99 9:29:41 AM	5/10/99 9:31:02 AM	5/10/99 9:31:04 AM
AM-02	Lucas	5/7/99 10:15:46 AM	5/10/99 9:31:16 AM	5/10/99 9:31:18 AM
	Phillips	5/13/99 1:53:00 PM	5/13/99 1:54:00 PM	5/13/99 1:54:03 PM
AMER00475		5/13/99 2:02:57 PM	5/13/99 2:03:50 PM	5/13/99 2:03:52 PM
AM-105	Walker	5/18/99 9:05:09 AM	5/18/99 9:07:51 AM	5/18/99 9:07:55 AM
America0037	Hays	5/18/99 2:40:43 PM	5/18/99 2:43:33 PM	5/18/99 2:43:37 PM

10

- If the broker selects the "BRQ" (broker rate quote) button on the Broker Home Page, then the "BRQ Queue" is presented, an example of a typical BRQ queue is represented in Table V. Any item in the queue can be clicked on for more detail. The BRQ queue gives a realtime display of lender offers to fund that have accumulated for each loan request. The broker is then able to comparison shop and compare the offers when there are more than one for each loan request. The offers will include the terms and conditions that the lender is imposing, and these can be compared on the same display page with what the broker had requested.
- 15

TABLE V BRQ Queue

File Number	Borrower	Total Offers
AMER0567		1
AM-01	Davis	1
AM-101	Harrison	1
AMER00345	Hilton	1
AMER0023	Hirani	1
AMER080	Jenson	1
AMER002	Newman	3
AMER0234	Perry	1
AM-103	Reagan	1
AM-104	Springer	1
AMER001	Wayne	3

- If the broker selects the "Accepted" button on the Broker Home Page, then the
- 5 "Accepted BRQ Queue" is presented, an example of a typical accepted BRQ queue is represented in Table VI. Any item in the queue can be clicked on for more detail. The loan requests in the accepted BRQ queue are those that have been proposed by the lenders and that have been accepted by the broker. Those offers to fund loan requests that are not accepted, are automatically rejected and the lenders making those
- 10 offers to fund are notified they did not succeed.

TABLE VI Accepted BRQ Queue

File Number	Borrower	Submitted On	Offered On	Status
AMER0023		5/13/99 2:00:55 PM	5/13/99 2:07:57 PM	Accepted
AMER00343		5/13/99 2:02:53 PM	5/13/99 2:08:12 PM	Accepted
611409707	Caron	4/28/99 6:18:52 PM	4/28/99 6:59:19 PM	Accepted
AMER0024	Frederick	5/13/99 2:21:38 PM	5/13/99 2:23:10 PM	Accepted
1234	Hamilton	5/1/99 2:19:17 PM	5/1/99 6:14:42 PM	Accepted
AMER00786	Hanks	5/13/99 2:10:37 PM	5/13/99 2:14:34 PM	Accepted
AMER004	Johnson	5/7/99 9:03:07 AM	5/7/99 9:05:57 AM	Accepted
america0023	Jones	5/10/99 9:05:36 AM	5/13/99 3:50:19 PM	Accepted
AM-102	Palmer	5/18/99 9:01:03 AM	5/18/99 2:39:52 PM	Accepted
LBMC-1	Smith	5/13/99 4:00:45 PM	5/13/99 4:14:46 PM	Accepted
AMER003	Tang	5/7/99 10:19:46 AM	5/7/99 10:30:22 AM	Accepted
	Walsh	5/13/99 1:56:27 PM	5/13/99 2:01:53 PM	Accepted

After log-on, lenders are presented with a "home" page that includes financial industry news items and several navigation buttons. The lender can "click" on any of the buttons listed in Table VII.

5

TABLE VII Lender Home Page

label	action
"New App"	opens up a queue of loan requests from borrowers that have been filtered and forwarded to the lender
"Pipeline"	shows the current queue of open loan requests, "Pass", "Accepted", and "Declined" queues are accessed from there.
"Retrieve"	displays the next loan request
"Inbox"	shows the current inbox queue of loan requests
"Admin"	displays a page where users can be added and deleted by the system administrator
"Password"	displays a page in which the current user's password can be changed
"E-mail"	opens up an e-mail message form
"Log Off"	allows the lender to quit "loantrader.com"

- If the lender selects the "New App" button on the Lender Home Page, then the "New Application Queue" is presented. The source of these new applications is the brokers submitted queue. An example of a typical new application queue is represented in Table VIII. Any item in the queue can be clicked on for more detail. Such queue cannot be cherry-picked. A first-in first-out rule is enforced.

TABLE VIII New Application Queue

File No.	Borrower	Received	Source	Status	Staff	Time Pull
	Turner	5/13/99 1:55:29 PM	LT			
AMER00475		5/13/99 2:03:52 PM	LT			
AM-101	Harrison	5/18/99 8:57:19 AM	LT			
AM-103	Reagan	5/18/99 9:03:22 AM	LT			
AM-104	Springer	5/18/99 9:05:04 AM	LT			
AM-105	Walker	5/18/99 9:07:53 AM	LT			
America0037	Hays	5/18/99 2:43:36 PM	LT			

15

If the lender selects the "Pipeline" button on the Lender Home Page, then the "Pipeline-Open Queue" is presented. The other pipeline queues are then accessible from the Pipeline--Open Queue page. An example of a typical pending queue is represented

in Table IX. Any item in the queue can be clicked on for more detail. A summary of the number of loan requests and their total value is presented.

TABLE IX Pipeline--Open Queue

Number of Loans	5
Total Loan Amount	\$1,525,000

5

File No.	Borrower	Received	Source	Status	Staff	Time Pull
BofA9213	Wayne	5/7/99 8:34:09 AM	LT	A	admin	5/7/99 8:44:21 AM
BofA9214	Newman	5/7/99 8:38:41 AM	LT	A	admin	5/7/99 8:46:15 AM
BofA0234	Hilton	5/10/99 9:47:06 AM	LT	A	admin	5/10/99 9:49:56 AM
hjkl	hirani	5/10/99 11:18:57 AM	LT	A	admin	5/10/99 11:25:29 AM
	DAVIS	5/13/99 1:55:18 PM	LT	A	admin	5/18/99 3:34:42 PM

- 10 If the lender selects the "Retrieve" button on the Lender Home Page, then the compiled information provided by the broker about the next borrower loan request is presented. A typical example for a borrower named Turner is illustrated in Table X. Credit rating computations are automatically included, e.g., FICO, BEACON, IMPERICA, etc.

TABLE X Retrieve Page

Borrower's Last Name	Turner
Location of Subject Property	KY-
Property Type	
Purchase Price	\$
Loan Purpose	purchase, % Down, Conventional, Years Fixed
Loan Amount	\$185,000
Proposed	LTV: Infin%, CLTV: Infin%
Requested Interest Rate	Best %
Rate Lock	No
Asset Verification	No
Documentation Level	None
Interest Rate Buy-down	No
No-cost Loan	No
Pre-pay	No
Rebate	No
Is broker origination fee paid from rebate?	No
Up-front broker origination points charged to borrow	%
Additional broker fees charged	\$
Total broker fees charged (includes points, misc. fees, etc.):	\$
Down Payment From	Borrower is not a first time buyer or has not owned a home within the past 3 years.
Scheduled Closing Date	//
Total borrower(s) dependents	Borrower 1
Is not self-employed and has been with current employer for year(s) and months	
Has been employed in this line of work/profession for year(s) month(s).	
Borrower 1 FICO is	300
Front-end Ratio Is	%
Back-end Ratio Is	%
Credit History	Covers the past months
Total Open Accounts	
Total Accounts "paid as agreed"	
Total Accounts with Lates	0
Mortgage currently in default	Yes
Number of "charge-offs" and/or collections	
Number of unsatisfied liens or judgements	

- If the lender selects the "Inbox" button on the Lender Home Page, then the "Inbox Queue" is presented, an example of a typical Inbox queue is represented in Table XI. Any item in the queue can be clicked on for more detail.

TABLE XI Inbox Queue

File No.	Borrower	Received	Source	Status	Staff	Time Pull
	Phillips	5/13/99	admin	F		

		1:54:02 PM				
	JOHNLE	5/18/99 3:36:54 PM				
	Turner	5/13/99 1:55:29 PM	LT	U	admin	5/20/99 10:42:24 AM

If the lender selects the "Admin" button on the Lender Home Page, then the "Admin Page" is presented which has several buttons that can be clicked, an example of which is represented in Table XII. "Main" will return to the Lender Home Page. "UW" goes to an underwriter page where authorized underwriters may be added or deleted by the administrator. "LO" goes to a loan officer page where authorized loan officers may be added or deleted by the administrator. "Product" allows a choice of conventional, FHA, VA, and jumbo loans. "Conditions" allows the lender to enter or check off various terms and conditions that will be made for offer to fund for a particular loan request. "Fees" goes to a page that allows the lender to fix various kinds of fees and commissions, e.g., appraisal, credit report, document prep, insurance, inspections, transfer, etc. "System" goes to a page for system configuration. "Log Off" allows the lender to quit "loantrader.com".

15

TABLE XII Admin Page

Main	UW	LO	Product
Conditions	Fees	System	Log Off

20

On the "Pipeline--Open Queue" page, various buttons are provided to go to the "pass", "accepted" and the other pipeline queues are then accessible from the Pipeline--Open Queue page. An example of a Pass queue is represented in Table XIII. Any item in the queue can be clicked on for more detail. A summary of the number of loan requests and their total value is presented.

25

TABLE XIII Pipeline--Pass Queue

Number of Loans	2
Total Loan Amount	\$240,000

File No.	Borrower	Received	Source	Status	Staff	Time Pull
	Russel	5/10/99 9:31:02 AM	LT	P	admin	5/10/99 9:32:55 AM
	Lucas	5/10/99 9:31:16 AM	LT	P	admin	5/10/99 9:47:41 AM

- An example of a "Broker Accepted" queue is represented in Table XIV. Any item in
 5 the queue can be clicked on for more detail. A summary of the number of loan requests
 and their total value is presented.

TABLE XIV Pipeline--Broker Accepted Queue

Number of Loans	2
Total Loan Amount	\$225,000

File No.	Borrower	Received	Source	Status	Staff	Time Pull
4560	Hamilton	5/10/99 9:31:02 AM	LT	O	admin	5/10/99 9:32:55 AM
	Tang	5/10/99 9:31:16 AM	LT	O	admin	5/10/99 9:47:41 AM

10

- An example of a "Broker Declined" queue is represented in Table XV. Any item in the
 15 queue can be clicked on for more detail. A summary of the number of loan requests and
 their total value is presented.

TABLE XV Pipeline--Broker Declined Queue

Number of Loans	2
Total Loan Amount	\$200,000

File No.	Borrower	Received	Source	Status	Staff	Time Pull
	jones	5/10/99 9:31:02 AM	LT	D	admin	5/10/99 9:32:55 AM
	Hammond	5/10/99 9:31:16 AM	LT	D	admin	5/10/99 9:47:41 AM

20

- Fig. 2 diagrams a method and business model embodiment of the present invention
 that is implemented on the computer 136, database 138, and network server 134 (Fig.
 1), and is referred to herein by the general reference numeral 200. Several queues are
 25 maintained by the "loantrader.com" website, and include "open", "pass", "pending",
 "decline", "accepted", etc. In fact, the process 200 can be described as a queue-
 oriented loan matching system. The process 200 begins with a data input step 202 in
 which a mortgage broker enters an application's information 204 from a prospective
 30 borrower into a new application page 206 displayed on the broker's computer monitor
 while running an Internet browser and after logging onto the "loantrader.com" website.

The broker completes a loan request profile, e.g., a "new application", using an electronic form provided. As the broker works on the loan request, a database-record reference is maintained in a "pending" queue 208. When the broker is satisfied with the loan request, it is ready to send to a lender. When the broker clicks on a "send" button on a
5 screen provided, a "send" step 210 is initiated.

A credit-rating filter 212 provides for a screening of the loan requests sent to particular lenders according to a credit-risk score of the borrower and any pre-established credit-risk limits imposed by the lender intended to receive the loan request. Various credit-risk
10 scores can be computer generated by conventional programs used by artisans in the financial industry, e.g., FICO, BEACON, IMPERICA, etc. The credit-rating filter 212 can be fine-tuned over a link 214 to a corresponding lender's database 216. Such fine-tuning is done according to quality control and business management review of past loan requests that have been accepted or rejected by said corresponding lender or
15 accepted or rejected by a broker after an offer to fund by the lender. A step 218 attaches destination addresses and duplicates the loan requests for each appropriate lender. Such addresses are provided by an informational link 220. The loan request records are then forwarded over a data link 222. A transfer 224 causes the loan request to be registered in a submitted queue 226. As far as the broker can see, such loan
20 request exists now only in the submitted queue 226. From the lender's viewpoint, the loan request will exist only in a new application queue 228.

At a lender's site, a loan-request dispatcher 230 will assign the incoming loan requests from several different and independent brokers to an inbox queue 232 of a particular
25 underwriter or loan officer. An underwriter 234 will then act on the loan request. If such action is an offer to fund the loan, terms and conditions are attached and the loan request is transferred to a pipeline--open queue 236. The fact of the favorable action and the offered terms and conditions are communicated over a datalink 238. This forces a transfer of the loan request record at the broker's from the submitted to lenders queue
30 226 to the broker rate quote (BRQ) queue 240. The offered terms and conditions are appended to the loan request record for the broker's consideration and comparison shopping with any other offers that come in for that particular loan request. If the underwriter 234 decides to refuse the loan request, then the loan request record is transferred to a pipeline--pass queue 242. The lender then waits to see if the broker will
35 accept or reject the lender's offer to fund.

If the broker takes an action 244 to accept, the loan request with an offer to fund in the BRQ queue 240 is moved to a BRQ-accepted queue 246. Such decision is communicated back to the lender over a broker-accepted datalink 248 or a broker-

declined datalink 250. A broker-accepted decision communicated on the datalink 248 causes the loan request record to be forwarded from the pipeline--open queue 236 to a pipeline--broker-accepted queue 252. A broker-rejected decision communicated on the datalink 250 causes the loan request record to be forwarded from the pipeline--open
5 queue 236 to a pipeline--broker-declined queue 254. Loan processing can then proceed conventionally.

The process 200 allows lender management and quality control to have a supervisory monitor 256 in which the loan requests and their associated status and details can be reviewed in real time. If too many loan requests are being passed on, it may indicate that the filter 212 is set too loose. A fine tuning signal 258 can be sent to adjust the filter 212. If too few loan requests are being accepted by the brokers, the supervisory step 256 can be used to inspect the terms and conditions being imposed by the underwriter 234. The supervisory monitor 256 allows the lender to remain competitive given the
15 realities of the loan requests that exist and their abilities to attract their target clientele.

In reality, all the processing, database accesses, and queue management occurs, for example, at the network server at the business 130 (Fig. 1). The individual brokers and lenders are actually working with remote accesses from terminals that communicate over
20 the Internet. It appears to the broker that they are sending loan requests to the lender locations, and it appears to the lenders that they are receiving the loan requests from the brokers. In fact, both are simply accessing a third site where loan requests are shuffled amongst queues. It is for this reason that no specialized software to support process 200 need be installed or downloaded at any of the broker or lender sites.
25

Borrowers can be rated as A, A-, B+, B, B-, etc., credit risks. These credit-risks can be evaluated using numeric scores. Borrowers with FICO, IMPERICA, or BEACON numeric scores over 700 are considered very good. Borrowers with scores under 500 are considered poor risks. Lenders will cater to particular ranges credit-risk borrowers.
30 For example, a certain lender may only accept "A" credit rated borrowers. A credit rating filter 212 is used to screen each loan request so that only A-lenders receive loan requests from A-borrowers, for example. The "loantrader.com" website compares a profile of the loan request with individual profiles that have been pre-defined by a select group of lenders. The loan request is forwarded by the "loantrader.com" website to
35 each lender's underwriter for which the profile comparison indicates which lender would want to receive the loan request. Each such underwriter makes a decision whether to accept or pass the loan request. Each accepted loan request can be tagged with an electronic data interface (EDI) response transmission fee. The "loantrader.com" website routes the responses back over the Internet to the respective mortgage broker. The

- broker then reviews the loan request responses from the lenders and selects one lender's response, all others are declined. Each lender is automatically notified via the Internet as their response is accepted or declined by the broker. The "loantrader.com" website notifies a particular lending officer of the acceptance and moves the loan request
- 5 from the "pending" to the "accepted" queue. The broker is notified of such lending officer's contact information. The lender then processes the loan using traditional methods. The broker next can select title, escrow, and appraisal steps, each with EDI transmission fees.
- 10 Although the present invention is described herein with reference to the preferred embodiment, one skilled in the art will readily appreciate that other applications may be substituted for those set forth herein without departing from the spirit and scope of the present invention. Accordingly, the present invention should only be limited by the Claims included below.

CLAIMS

1. A queue-oriented loan matching system, comprising:
 - 5 a computer network server connected to service a broker-class of users and a lender-class of users over the Internet;
 - a plurality of computer-implemented queues for database records related to loan requests of borrowers and disposed in the computer network server;
 - 10 a pending queue included in the plurality of computer-implemented queues that lists loan requests that have been entered by a broker in said broker-class of users;
 - a submitted queue included in the plurality of computer-implemented queues that removes loan requests from the pending queue when a corresponding loan request has been forwarded by said broker to a lender in said lender-class of users, and that lists said loan request;
 - 15 an inbox queue included in the plurality of computer-implemented queues that lists loan requests that have been received by a lender in said lender class of users from said broker;
 - an open queue included in the plurality of computer-implemented queues that removes loan requests from the inbox queue when a corresponding loan request has been approved for funding by said lender;
 - 20 a pass queue included in the plurality of computer-implemented queues that removes loan requests from the inbox queue when a corresponding loan request has been rejected for funding by said lender;
 - a broker rate quote (BRQ) queue included in the plurality of computer-implemented queues that removes loan requests from the submitted queue when a corresponding loan request has been approved for funding by said lender;
 - 25 a broker-accepted queue included in the plurality of computer-implemented queues that removes loan requests from the open queue when a corresponding loan request has been approved for funding by said lender and said broker has accepted an offer to fund a loan; and
 - 30 a broker-declined queue included in the plurality of computer-implemented queues that removes loan requests from the open queue when a corresponding loan request has been approved for funding by said lender and said broker has rejected an offer to fund a loan.
- 35
2. The queue-oriented loan matching system of claim 1, wherein:
 - the pending queue is accessible only to a particular broker in said broker-class of users that originally entered any of said loan requests within.

3. The queue-oriented loan matching system of claim 1, wherein:
 - the submitted queue is accessible only to a particular broker in said broker-class of users that originally entered any of said loan requests within.
- 5 4. The queue-oriented loan matching system of claim 1, wherein:
 - the inbox queue is accessible only to a particular lender in said lender-class of users that was intended by said broker to receive any included loan requests.
- 10 5. The queue-oriented loan matching system of claim 1, wherein:
 - the inbox queue is accessible only to a particular lender in said lender-class of users that was intended by a plurality of independent brokers in said broker-class of users to receive any included loan requests.
- 15 6. The queue-oriented loan matching system of claim 1, wherein:
 - the open queue is accessible only to a particular lender in said lender-class of users that was intended by a plurality of independent brokers in said broker-class of users to receive any included loan requests;
 - wherein only an underwriter associated with said lender is permitted to advance any loan request from the inbox queue to either of the open and pass queues.
- 20 7. The queue-oriented loan matching system of claim 1, wherein:
 - the BRQ queue is accessible only to a particular broker in said broker-class of users that originally entered any of said loan requests within.
- 25 8. The queue-oriented loan matching system of claim 1, wherein:
 - the broker-accepted queue is accessible only to a particular lender that offered to fund any of said loan requests within.
- 30 9. The queue-oriented loan matching system of claim 1, wherein:
 - the broker-declined queue is accessible only to a particular lender that offered to fund any of said loan requests within.
- 35 10. The queue-oriented loan matching system of claim 1, further comprising:
 - a subscription and billing computer included with the computer network server for controlling access of each member of said broker-class and lender-class of users to the matching system according to payment of per-use fees or monthly subscription fees.
11. The queue-oriented loan matching system of claim 1, further comprising:

a credit-rating filter providing for a screening of loan requests sent to particular lenders in the lender-class of users according to a credit-risk score of a corresponding borrower and credit-risk limits imposed by a corresponding lender.

5 12. The queue-oriented loan matching system of claim 11, wherein:

the credit-rating filter is fine-tuned by said corresponding lender according to quality control and business management review of past loan requests that have been accepted or rejected by said corresponding lender or accepted or rejected by a broker after an offer to fund by the lender.

10

13. The queue-oriented loan matching system of claim 1, further comprising:

a lender management and quality control monitor in which any loan requests and their associated status and details can be reviewed in real time.

15 14. The queue-oriented loan matching system of claim 13, further comprising:

a credit-rating filter providing for a screening of loan requests sent to particular lenders in the lender-class of users according to a credit-risk score of a corresponding borrower and credit-risk limits imposed by a corresponding lender; and

20 a feedback link between the lender management and quality control monitor and the credit-rating filter that provides for an adjustment of a credit-risk threshold associated with borrowers having loan requests sent to a particular lender.

15. A queue-oriented loan matching system, comprising:

25 a computer network server connected to service a broker-class of users and a lender-class of users over the Internet;

a plurality of computer-implemented queues for database records related to loan requests of borrowers and disposed in the computer network server;

30 a pending queue included in the plurality of computer-implemented queues that lists loan requests that have been entered by a broker in said broker-class of users, and that is accessible only to a particular broker in said broker-class of users that originally entered any of said loan requests within;

35 a submitted queue included in the plurality of computer-implemented queues that removes loan requests from the pending queue when a corresponding loan request has been forwarded by said broker to a lender in said lender-class of users, and that lists said loan request, and that is accessible only to a particular broker in said broker-class of users that originally entered any of said loan requests within;

an inbox queue included in the plurality of computer-implemented queues that lists loan requests that have been received by a lender in said lender class of users from

said broker, and that is accessible only to a particular lender in said lender-class of users that was intended by said broker to receive any included loan requests;

an open queue included in the plurality of computer-implemented queues that removes loan requests from the inbox queue when a corresponding loan request has

5 been approved for funding by said lender, and that is accessible only to a particular lender in said lender-class of users that was intended by a plurality of independent brokers in said broker-class of users to receive any included loan requests;

a pass queue included in the plurality of computer-implemented queues that removes loan requests from the inbox queue when a corresponding loan request has

10 been rejected for funding by said lender;

wherein, only an underwriter associated with said lender is permitted to advance any loan request from the inbox queue to either of the open and pass queues;

a broker rate quote (BRQ) queue included in the plurality of computer-implemented queues that removes loan requests from the submitted queue when a

15 corresponding loan request has been approved for funding by said lender, and that is accessible only to a particular broker in said broker-class of users that originally entered any of said loan requests within;

a broker-accepted queue included in the plurality of computer-implemented queues that removes loan requests from the open queue when a corresponding loan

20 request has been approved for funding by said lender and said broker has accepted an offer to fund a loan, and that is accessible only to a particular lender that offered to fund any of said loan requests within;

a broker-declined queue included in the plurality of computer-implemented queues that removes loan requests from the open queue when a corresponding loan

25 request has been approved for funding by said lender and said broker has rejected an offer to fund a loan, and that is accessible only to a particular lender that offered to fund any of said loan requests within;

a subscription and billing computer included with the computer network server for controlling access of each member of said broker-class and lender-class of users to the

30 matching system according to payment of per-use fees or monthly subscription fees;

a credit-rating filter providing for a screening of loan requests sent to particular lenders in the lender-class of users according to a credit-risk score of a corresponding borrower and credit-risk limits imposed by a corresponding lender;

the credit-rating filter is fine-tuned by said corresponding lender according to quality control and business management review of past loan requests that have been accepted or rejected by said corresponding lender or accepted or rejected by a broker after an offer to fund by the lender;

a lender management and quality control monitor in which any loan requests and their associated status and details can be reviewed in real time; and

a feedback link between the lender management and quality control monitor and the credit-rating filter that provides for an adjustment of a credit-risk threshold associated with borrowers having loan requests sent to a particular lender.

1/2

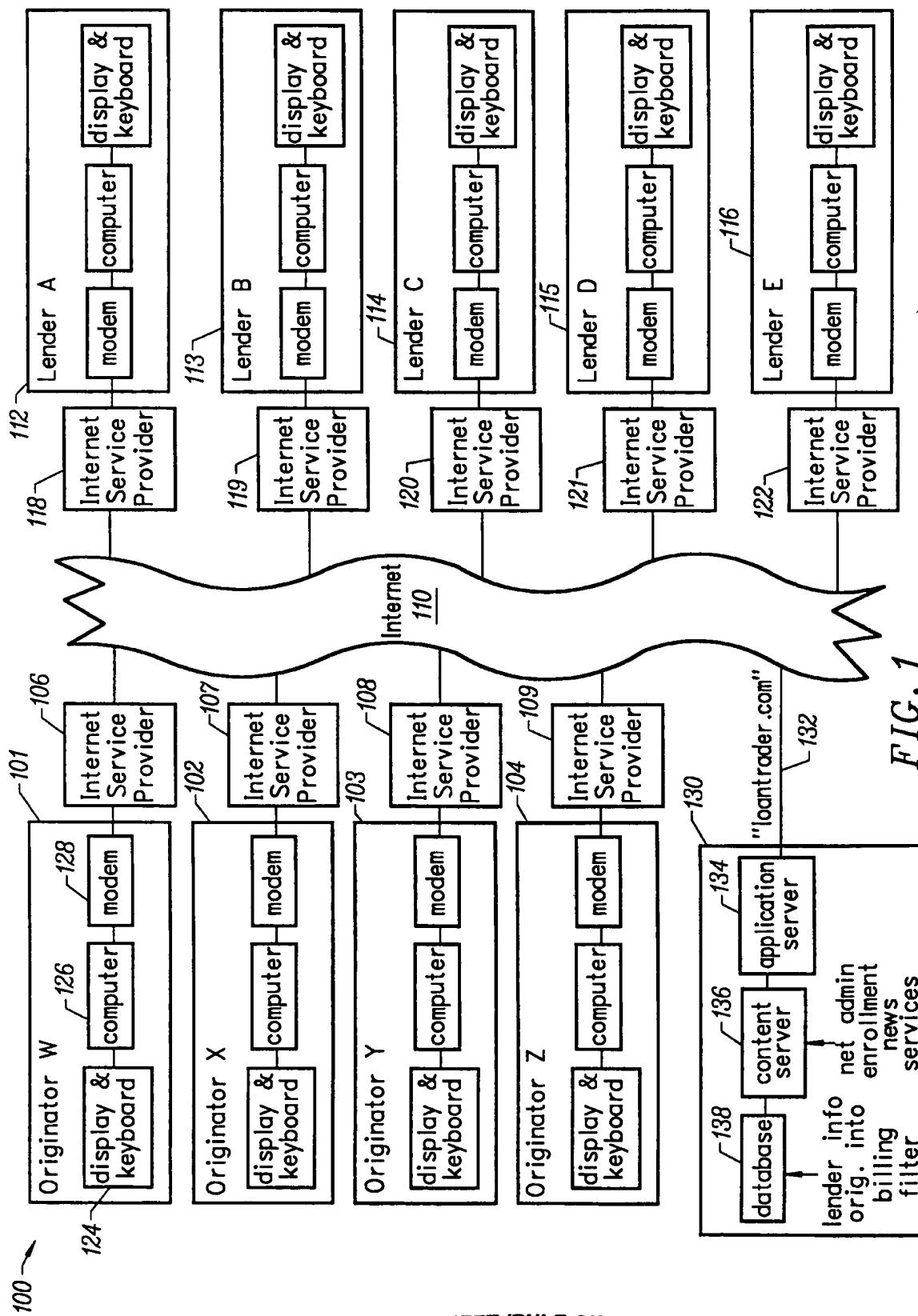
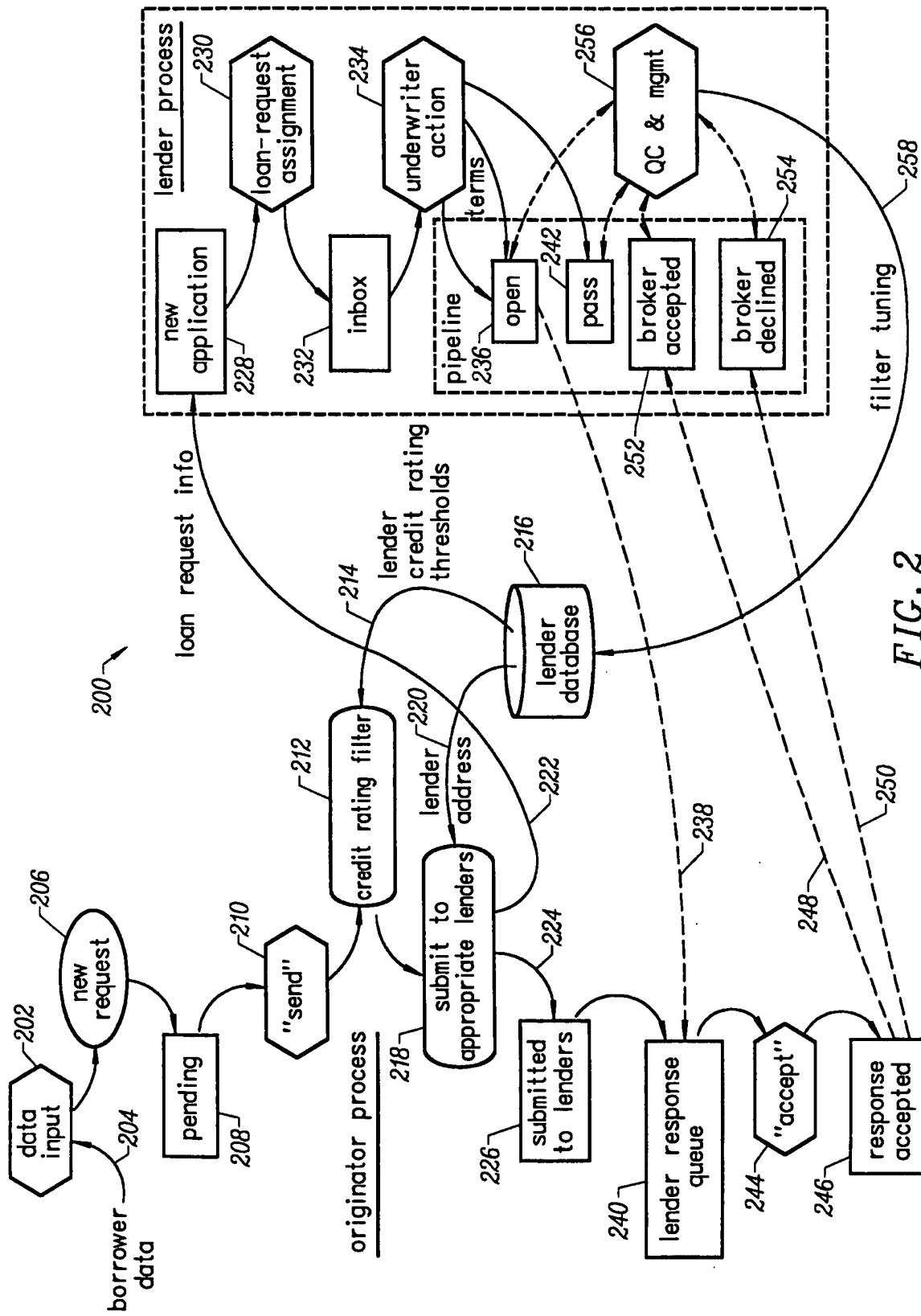


FIG. 1

2/2



**This Page is Inserted by IFW Indexing and Scanning
Operations and is not part of the Official Record**

BEST AVAILABLE IMAGES

Defective images within this document are accurate representations of the original documents submitted by the applicant.

Defects in the images include but are not limited to the items checked:

- BLACK BORDERS**
- IMAGE CUT OFF AT TOP, BOTTOM OR SIDES**
- FADED TEXT OR DRAWING**
- BLURRED OR ILLEGIBLE TEXT OR DRAWING**
- SKEWED/SLANTED IMAGES**
- COLOR OR BLACK AND WHITE PHOTOGRAPHS**
- GRAY SCALE DOCUMENTS**
- LINES OR MARKS ON ORIGINAL DOCUMENT**
- REFERENCE(S) OR EXHIBIT(S) SUBMITTED ARE POOR QUALITY**
- OTHER:** _____

IMAGES ARE BEST AVAILABLE COPY.

As rescanning these documents will not correct the image problems checked, please do not report these problems to the IFW Image Problem Mailbox.